

CHAPTER: VIII <b>ASSISTANCE UNIT</b>	SECTION: 5 <b>CHILD SPECIFIC BENEFIT</b>	COMAR: <b>07.03.03.06</b>
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## REQUIREMENTS

- A. Do not pay cash assistance directly to the assistance unit for a child of an assistance unit member who is born 10 months or more after the family is informed about the child specific benefit (CSB) policy, except when the child:
  1. Is the first-born of a minor in the assistance unit
  2. Was conceived as the result of rape
  3. Was conceived as the result of incest
  4. Has been placed in the home by the local department, or
  5. Is now under the legal guardianship of the caretaker relative
- B. Authorize assistance for the child, designated as a child-specific benefit (CSB), paid to a third party or, if available, a restricted account
- C. The amount of the CSB is the lesser of the:
  1. Incremental increase in the TCA grant, or
  2. Pro-rata share of the TCA grant, including the incremental increase, less any countable income
- D. The child is a member of the assistance unit for all purposes except CSB benefit payment, including, but are not limited to:
  1. Food Stamp Program
  2. Medical Assistance
  3. Child Support Services
  4. Child Care Services
  5. TCA requirements

**Note:** Child support requirements are applicable for the CSB child. Support is assigned to the state and handled the same as other TCA child support payments.

- E. Inform the applicant about the child-specific policy orally and in writing

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F. The applicant :

1. Signs **Form 1800 “ Rights and Responsibilities for Child Specific Benefits”**, and
2. Is responsible for telling other family members about the policy, including pregnant and parenting minors

**Note:** If applicant refuses to sign the **Form 1800**, the case manager signs and notes the refusal. There is no sanction for not signing, but the policy is still applicable.

G. Review the child-specific policy with the customer at each recertification

### **THIRD-PARTY PAYEES**

A. Third-party payees may be designated by:

1. The customer with local department approval, or
2. The local department

B. The third-party payees may be:

1. Nonprofit organizations
2. For-profit organizations
3. Government agencies, including local departments
4. Individuals approved by the local departments
  - May be related to assistance unit members

C. The third-party payee may not be:

1. A Family Investment staff member
2. A person with medically diagnosed alcoholism or drug addiction
3. An individual who deals with an assistance unit member for profit which could create a conflict of interest

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- D. The third-party payee, personally or through staff members, must be able to perform the following duties:
1. Track the child-specific funds for each family the payee is serving
  2. Properly account for disbursement of the funds
  3. Use the funds, in accord with the customer's requests, for the needs of the child, such as:
    - Diapers
    - Clothing needs
    - Health items not covered by Medical Assistance
    - School supplies
  4. Return funds to the local department fiscal office using checks or money orders which:
    - Were not accessed by the customer within 90 days, or
    - Were sent after notification that the third-party is no longer the payee

<p><b>Note:</b> The case manager investigates how the family is managing when funds are not accessed</p>
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- E. Local departments may, according to local procedures:
- A. Pay administrative fees to the third party to cover the administrative costs of managing the funds
  - B. Require the third-party payee to sign a document specifying the responsibilities as payee
- F. The CSB is not income to the third-party payee, but is part of the assistance unit's income

## **CALCULATING THE CHILD SPECIFIC BENEFIT**

STEP 1. Calculate the incremental increase:

1. Select the maximum benefit amount for the family size, including the child receiving the CSB

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2. Subtract the maximum benefit amount for the family size, excluding the child receiving the CSB
3. The result is the CSB incremental increase

**EXAMPLE**    \$ 481 = Maximum benefit including CSB child (4 persons)  
                       -\$ 399 = Maximum benefit excluding CSB child (3 persons)  
                       \$   82 = CSB incremental increase

**IF THERE IS NO COUNTABLE INCOME, THE INCREMENTAL INCREASE IS THE CSB --GO TO STEP 4**

STEP 2. Calculate the prorata share of the grant:

1. Calculate the new benefit amount including:
  - All countable income and deductions, and
  - All assistance unit members including the CSB child
2. Divide the new benefit amount by the new family size including the CSB child
3. The result is the prorata share

**EXAMPLE**    \$424 = New benefit amount (\$481 - \$57 net earnings)  
                       ÷4   = Divide by new family size including CSB child  
                       \$ 106 = Prorata share

STEP 3. Determine the CSB amount

1. Compare the incremental increase (Step 1) and the prorata share (Step 2)
2. The CSB is the lesser amount – THIS IS THE AMOUNT THAT GOES TO THE THIRD PARTY

**EXAMPLE**    \$ 82 = Incremental increase  
                       \$ 106 = Prorata share  
                       \$   82 = Lesser amount = CSB

STEP 4. Determine the regular TCA benefit

1. Subtract the CSB (Step 1 or Step 3) from the new benefit amount
2. The result is the regular TCA benefit – PAID DIRECTLY TO THE TCA FAMILY

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**EXAMPLE:** \$ 424 = New benefit amount

- 82 = CSB

\$ 342 = Regular TCA benefit

## VERIFICATION

- Verification is normally not required unless information is questionable

## CASE MANAGEMENT TIPS

- A. When a child in an assistance unit becomes an adult and applies as head of household, it is considered a completely new case
  1. A new CSB date is set
    - This is the date the head of household signs the **Form 1800**
  2. Any CSB in effect while the child was a minor is rescinded
- B. Unless there is income, the CSB is the incremental increase
- C. When a customer wants to know why there is CBS policy, some tips are:
  - It is one of the priority goals of FIP for the family to become independent of TCA
  - The added responsibility and expenses of additional children makes it harder to become financially independent

## EXAMPLES

Example 1. Mary Maryland receives assistance for herself and her daughters, Betsy who is 15, Beverly who is 16, and Beverly's son Jake. Mrs. Maryland was told about the CSB policy and signed the **Form 1800**. Fifteen months later, both of the teenagers had baby boys. The family now is receiving \$300 countable income.

- Betsy's baby is added to the regular TCA grant because he is the first child of a minor
- Beverly's new son is a CSB child because, although she is a minor, she already had a child when the policy was implemented for the family
- The old grant for 4 members = \$ 481

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- The new maximum grant including the CSB is for 6 members = \$613
- The new grant maximum excluding the CSB is for 5 members = \$557
- The incremental increase for CSB = \$56 ( \$613 – \$557)
- The new benefit amount is \$313 ( \$613 - \$300 income)
- The prorata share is \$ 52 ( \$313 ÷ 6)
- The CSB = \$52 since it is less than \$ 56
- The regular TCA grant = \$261 ( \$313 – \$52)

Example 2. Nancy Newton has three children and receives assistance. One child, Brandon, is a CSB child because he was born more than 10 months after Ms. Newton was notified about CSB policy and the **Form 1800** was signed. CSB is paid to a third party. Ms. Newton is incarcerated and the children go to live with her sister, Sally Rand. Sally is not needy.

- Because Brandon was already a CSB child before coming to live with Ms. Rand, CSB continues for Brandon since he was not placed by Social Services and Ms. Rand does not have legal custody
- Ms. Rand receives regular TCA for the other children
- Ms. Rand may be the payee for both CSB and regular TCA

Example 3. Dolly Danish receives assistance for herself, two sons, and her granddaughter Dora. Her 16-year-old daughter, Debby, who is also Dora's mother, had been in the assistance unit when CSB went into effect, but left shortly after Dora's birth. Debby has now returned home with a new baby, David.

- Debby's new baby will be a CSB child because Debby already has one CSB exempt child and her CSB date was set previously when she was on her mother's grant

Example 4. Polly Parker has received assistance for herself and two sons for 12 months. Her 17-year-old pregnant daughter, Petunia, moves into the home with her 13-month-old daughter, Penny. Petunia's new baby is born 4 months later. Petunia has not been in her mother's home or on assistance.

- There are no CSB children.
- The policy went into effect for Petunia when she began receiving assistance and her mother was notified to tell her about CSB requirements, even though the policy was previously in effect for Ms. Parker
- Petunia's new baby is born within 10 months of the effective date of the CSB policy for her

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Example 5. Debby Danish is now 18 and applying for her own grant for herself and her 2 children, Dora and David. Debby is also pregnant and the baby is born 3 months later.

- There are no CSB children
- When Debby turned 18 and applied for her own grant as an adult, a new CSB date was set when she signed the **Form 1800**
- David is no longer CSB and the new baby will be born within 10 months of notification of the CSB policy and signing of the **Form 1800**

Example 6. Angela Anderson applies for herself, her son Andrew, and her 16-year-old daughter, Andrea. Andrea has twins 13 months later.

- The twins are not CSB.
- Multiple birth is considered a single incident and thus meets the first-born of a minor exemption definition

#### **ADDITIONAL INFORMATION**

- Assistance Unit – Basic Requirements
- Financial Eligibility - Income – Earned
- Financial Eligibility – Income - Unearned
- Application - Child Support Requirements